

# STATE OF WEST VIRGINIA



## **PUBLIC EMPLOYEES INSURANCE AGENCY**

### **Financial Plan**

**Fiscal Years 2025-2029**

*Report Date: January 2025*

***YOUR ACTUARIES FOR THE LONG-TERM!***



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Ladies and Gentlemen:

I, Dave Bond, am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, and the Managing Partner in the firm of Continuing Care Actuaries.

Continuing Care Actuaries has been retained by the West Virginia Public Employees Insurance Agency Finance Board (“Board”) to assist it as provided under Code of the West Virginia 1931 (“Code”), as amended. The Board has asked Continuing Care Actuaries to review the financial plan prepared and proposed by the Board in December 2024 for the fiscal year 2026 (“FY 2026”) and to provide quarterly financial reports for current FY 2025 and thereafter. Our analysis is developed on an accrued and incurred reporting basis for a projection period of five years as required by the Code.

Under the statutory Code provisions, it is the Board’s responsibility to prepare a proposed financial plan designed to generate revenues sufficient to meet all insurance program and administrative costs of the West Virginia Public Employees Insurance Agency (“PEIA”). The Board is required to provide a financing plan in which the State Fund revenue costs are financed 80% by state employers and 20% by state employees in FY 2025 and in subsequent fiscal years. In subsequent fiscal years, future transfers of employer and employee funds may be needed to obtain the 80% and 20% split between employer and employee, depending on future enrollment and coverage elections by insureds.

The Board is also charged with the responsibility to review actual costs incurred, any revised cost estimates, expenditures, and other factors affecting the fiscal stability of the plan and to make any modifications to the plan necessary to insure that the total financial requirements of PEIA are met for the projection period. We have been asked to review the proposed financial plan, and as supported by our work, to render an actuarial opinion stating whether the plan may be reasonably expected to generate sufficient revenues to meet estimated insurance program and administrative costs of PEIA through FY 2029.

Continuing Care Actuaries has provided financial report for fiscal years ending June 30, 2025 (“FY 2025”), June 30, 2026 (“FY 2026”), June 30, 2027 (“FY 2027”), June 30, 2028 (“FY 2028”) and June 30, 2029 (“FY 2029”). Our opinion of plan adequacy is based on the projections through FY 2029 using updated future revenue and plan modifications provided by the Board in the financial plan adopted in December 2024. This forecast is prepared for the Public Employee Insurance Agency, and does not include actuarial projections for the West Virginia Retiree Health Benefit Trust Fund.

In reviewing the plan, Continuing Care Actuaries utilized information concerning the plan’s prior experience, covered individuals, plan revenues, plan benefits, plan administrative costs, and other expenses. This information was developed and provided by PEIA, the plan’s third party administrators and other sources. In our review, we completely relied on the accuracy of this information and did not perform any due diligence on the information. The enclosed forecasts include anticipated changes from the federal statute Patient Protection and Affordable Care Act (“PPACA”) signed into law on March 23, 2010. Additional details of the benefit reductions can be found later in this report. In addition, some PEIA members became eligible for the West Virginia Children Health Insurance Plan effective in fiscal year 2016.

In FY 2025 the Pay-Go is equivalent to \$57 per retiree per month. In future years, the Pay Go premium may increase by a maximum of 3% per retiree per year, indexed to the initial fixed subsidy determined in FY 2013. The new Pay-Go premium formula is based on the financial plan approved by the Financial Board in December 2024.

This report includes updated claim trend assumptions as recommended in the report titled, “PEIA FY2024 Detailed Medical and Prescription Drugs Claim Trend Report”. In the circumstances and subject to the conditions described herein, we believe the financial plan approved by the Board for FY 2025 through FY 2029 may be reasonably expected to generate sufficient revenues, when combined with the existing surplus, to meet estimated insurance program and administrative costs of PEIA. In addition, we are forecasting that PEIA will meet the minimum 20% employee cost share requirement for state revenue in FY 2025 based on the scheduled revenue increases of the financial plan approved and amended by the Board in December 2024.

The conclusion of long-term solvency for the program over the five-year forecast is based on significant revenue increases in employer and employee premiums in later fiscal years of the plan through FY 2029 as approved by the Board.

The preparation of any estimate of future health costs requires consideration of a broad array of complex social and economic events. Changes in reimbursement methodology, the emergence of new and expensive medical procedures and prescription drugs options, and the continuing evolution of the framework of the managed care options, as are contemplated in the Board's proposed plan, increase the level of uncertainty of such estimates. As such, the estimate of insurance program costs contains considerable uncertainty and variability, and actual experience may not conform to the assumptions used.

Respectfully,



Dave Bond, F.S.A., M.A.A.A.

Managing Partner



Chris Borcik, F.S.A., M.A.A.A.

Principal

# **West Virginia Public Employees Insurance Agency**

## **Report of Independent Actuary**

### **Financial Plan for FY 2025 – FY 2029**

#### **OVERVIEW**

This report analyzes revenues and expenses related to funding the health and life insurance benefits of active employees of the State and various Local Agencies, together with their dependents. This report is intended for the sole use of the Board, and any other use requires written approval by Continuing Care Actuaries.

This report was compiled utilizing claims data collected by PEIA's third party administrators through November 2024 for prescription drugs and medical claims. Enrollment data, administrative expenses, managed care capitations, and plan revenues were provided at special request from PEIA. Revenue assumptions are based on premium rates, assumed investment income and significant general and special revenue allocations provided by the Governor, some of which have not been approved by the West Virginia Legislature. In addition, other information became available through presentations made at the Board meetings, which has been used in arriving at our conclusions.

The Code of the State of West Virginia establishes the actuarial reporting requirements for PEIA on an incurred basis for medical claims and capitations and on an accrued basis for administrative expenses and revenue for a period not to exceed five years. At the request of the Board, the reporting basis is based upon the separation of employees into two funds: Active Local Employee Fund and State Employee Fund. The Active Local Fund represents local governmental agencies, county governmental agencies and other public entities. The State Fund represents active state employees, college and university employees and county boards of education employees. The Active Local Fund and the State Fund are allocated administrative costs based on each fund's proportionate total revenue levels.

## **KEY ASSUMPTIONS**

### **A. Enrollment Changes**

These projections include the assumption that Preferred Provider Benefit (“PPB”) and managed care enrollment will not change from December 2024 enrollment levels for the duration of these forecasts for active employees.

In aggregate, December 2024 enrollment for active employees has increased by 325 coverages since the end of FY 2024. Aggregate PPB enrollment has increased by 379 in total over the same period, while managed care enrollment experienced a decrease of 54 coverages.

In the State Fund, the overall active State enrollment increased by 104 coverages from the end of FY 2024 to December 2024. And in the Local Fund, the overall active Local enrollment increased by 221 coverages from the end of FY 2024 to December 2024.

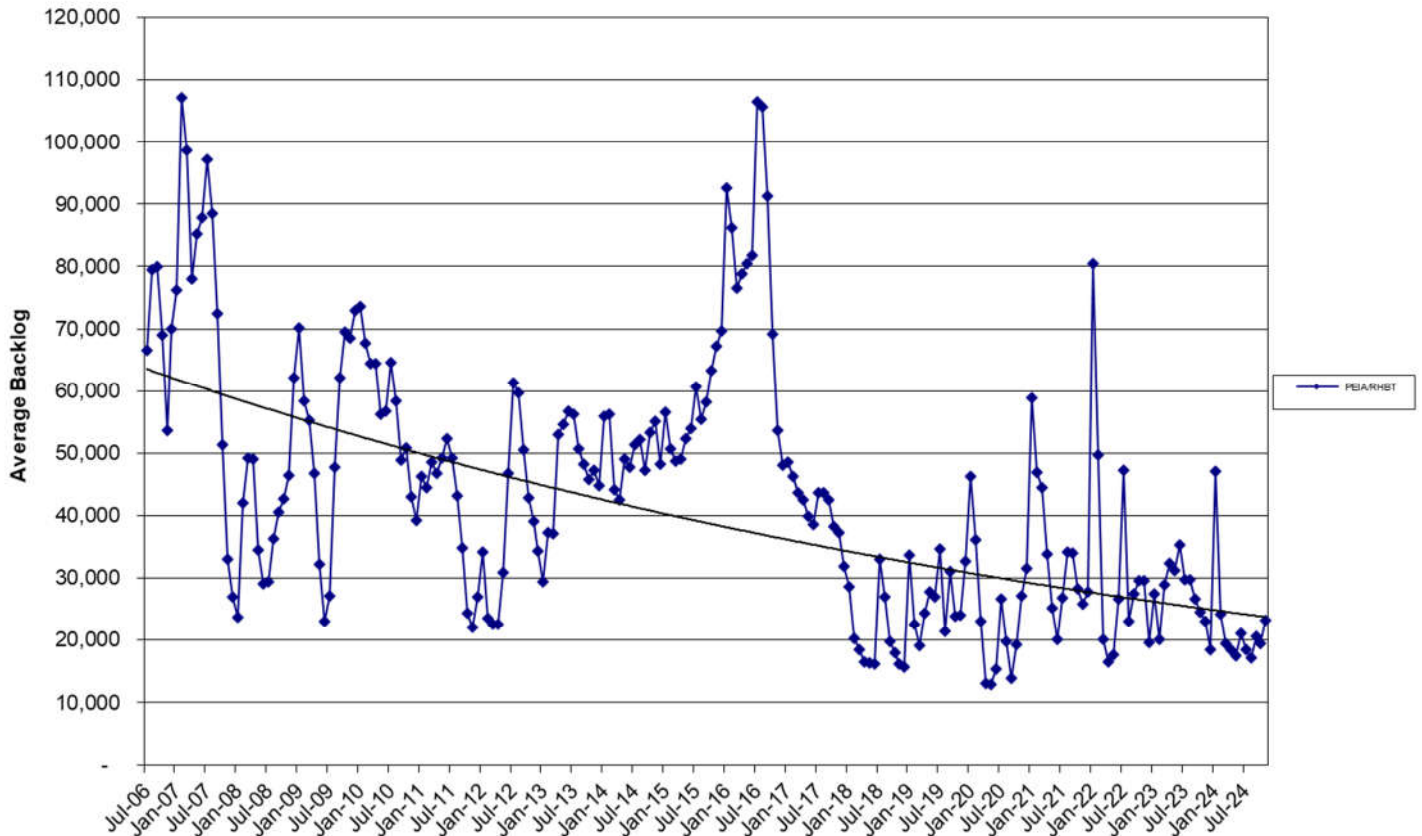
The following chart summarizes the current enrollment as of the selected monthly billing dates of June 2023, June 2024, and December 2024 for purposes of comparison:

PEIA Fund	Coverage	Preferred Provider Benefit			Managed Care		
		Jun-23	Jun-24	Dec-24	Jun-23	Jun-24	Dec-24
State Active	Single	21,381	23,055	23,482	2,444	2,681	2,671
	Children	5,845	7,357	7,560	703	935	963
	Family	26,125	23,161	22,689	2,703	2,329	2,257
	Total	53,351	53,573	53,731	5,850	5,945	5,891
Local Active	Single	6,618	6,977	7,114	476	461	465
	Children	1,276	1,312	1,310	107	108	114
	Family	6,123	6,020	6,106	210	188	178
	Total	14,017	14,309	14,530	793	757	757
Plan Total		67,368	67,882	68,261	6,643	6,702	6,648
Grand Total					74,011	74,584	74,909

## B. Changes in Claim Backlog

It should be noted that on July 1, 2006, all retirees were transferred to the RHBT. The graph below has not been adjusted to reflect the smaller risk pool for the active plan. The graph illustrates that the duration of claim payments has been gradually declining for the self-insured block of non-Medicare coverages. Backlog has shown a negative trend since July 2006, with large fluctuations. However, there has been an upward trend since the beginning of FY 2018.

WV PEIA&RHBT Claim Backlog July 2006 through November 2024



### C. Trend Analysis

PEIA experienced a high medical trend and a high prescription drugs trend in FY 2024, and over the past few years, total trends have been beneficial to the plan. Continuing Care Actuaries performed the detailed medical and prescription drugs trend analysis in the report titled, “PEIA FY2024 Detailed Medical and Prescription Drugs Claim Trend Report”. This report includes the detailed trend analysis of PEIA experience by medical and prescription drugs. Based on the analysis, the assumed FY 2025 medical claim trend is 8.0%, the gross prescription drugs claim trend is 15.0% and the prescription drugs rebate trend is 5.0%. In 2025, there were an additional rebate included in the projection to reflect the new PBM contract with ESI.

The current trend projection is shown in the following table:

Claim Type	Previous Assumption FY 2025 Trend	Updated Assumption FY 2025 Trend
Active Local – Medical	8.0%	8.0%
State – Medical	8.0%	8.0%
Active Local – Gross Drugs	15.0%	15.0%
State – Gross Drugs	15.0%	15.0%
Prescription Drugs Rebate	5.0%	5.0%

In the past, claim trends for the financial plan included a 0.5% margin in future years. CCA has assumed the medical and drugs claim trends for the financial projection will increase by 0.5% in FY 2026 and in each successive fiscal year. Additionally, drug rebates have been trending at approximately 9% over the last two years. As a result, CCA has separated net drugs in the financial plan into gross drugs and drug rebate amounts. Drug rebates trends are set at 5% in the financial plan.

At the Board’s request, the baseline trend assumptions have been established to reflect the most likely or expected trends. In order to provide information on the impact of varying trend assumptions, two alternative trend scenarios were developed. The Optimistic Scenario incorporates trend assumptions 2.0% below the Baseline Scenario and the Pessimistic Scenario incorporates trend assumptions 2.0% above the Baseline Scenario.

The following chart summarizes the trend results observed for the plan using data through November 2024. It is important to note that these trends *have not* been adjusted to reflect savings as a result of the expansion of the drug rebate program or the claim savings due to changes in provider reimbursement methodologies, nor the changes in the benefit structure. In developing the claim cost projection, we have reflected for benefit and reimbursement changes as an adjustment to the gross trend assumption.



**PEIA Historical Trends (Active Local and State)**

<b>Fiscal Year</b>	<b>Active Local Medical</b>	<b>State Medical</b>	<b>Active Local Drugs</b>	<b>State Drugs</b>	<b>Total</b>
2004	-1%	12%	9%	7%	9%
2005	16%	7%	7%	20%	11%
2006	1%	2%	18%	7%	3%
2007	15%	2%	13%	8%	5%
2008	3%	8%	-5%	-1%	4%
2009	-8%	3%	5%	4%	2%
2010	10%	1%	9%	9%	4%
2011	11%	8%	16%	15%	8%
2012	5%	5%	8%	6%	5%
2013	-3%	-3%	2%	6%	-3%
2014	8%	6%	9%	7%	7%
2015	6%	10%	14%	10%	10%
2016	9%	11%	12%	13%	12%
2017	6%	1%	11%	9%	4%
2018	0%	4%	16%	15%	7%
2019	8%	8%	15%	16%	10%
2020	-8%	0%	10%	15%	3%
2021	31%	17%	16%	13%	17%
2022	5%	9%	19%	18%	11%
2023	1%	5%	-1%	5%	4%
2024	14%	14%	25%	23%	17%
2025*	14%	13%	21%	19%	15%

\* Fiscal year 2025 results are through the first five months ending November 2024.

**D. Enrollment, Claim, Expense and Revenue Assumptions**

Using PEIA paid claim data through November 2024 for medical claims and for prescription drugs claims, average annualized incurred unit claim costs were developed for the State Fund and the Local Fund for both self-funded and managed care coverages. Continuing Care Actuaries has developed the claim cost on an adjusted exposure basis using the respective expected claim cost for each coverage type. The adjusted exposure methodology weighs the expected claim cost under each coverage type for single, member and children, and family coverages based on observed differences in health care cost. For example, under this methodology single coverage types are given a weight of 1.0 exposure, whereas member and children coverages are given a greater weighting based on historical expected health care cost relationships. Based on this methodology, the projection of FY 2025 claims and expenses are summarized in the following chart. It should be noted that the chart reflects per policy information.

Fiscal Year 2025 Projection			Net Revenue Excluding Pay Go		Expenses		
Fund	Program	Policies	Monthly Employer Premiums	Monthly Employee Premiums	Monthly Medical Costs	Monthly Drugs Costs*	Monthly Capitation Costs
State	PPB	53,662	\$896	\$229	\$870	\$365	
	<u>Managed Care</u>	<u>5,875</u>	\$908	\$235			\$907
	Total	59,537					
Local	PPB	14,528	\$996	\$0	\$745	\$323	
	<u>Managed Care</u>	<u>753</u>	\$980	\$0			\$670
	Total	15,281					

\*Net of rebates and subsidies.

Projected plan revenues, administrative expenses, life insurance premiums, and the amount to be spent on wellness programs were provided by PEIA. Investment income is currently allocated to each fund based on average reserve levels for each fund. The following chart summarizes assumptions used in preparation of the attached forecasts.

### Board Decisions – December 2024

Source	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
<b>Additional State Employer Revenue</b>	\$62,700,000	\$92,900,000	\$70,000,000	\$82,000,000	\$135,000,000
<b>Additional Local Agency Revenue</b>	\$22,800,000	\$29,900,000	\$27,000,000	\$27,000,000	\$24,000,000
<b>Additional Employee Premium</b>	\$15,700,000	\$38,700,000	\$9,500,000	\$16,500,000	\$33,800,000
<b>State Direct Transfers (State Budget Appropriations)</b>	\$87,000,000	\$0	\$0	\$0	\$0
<b>Benefit Reductions and Savings / (Increase) - Active State Medical</b>	\$0	\$35,500,000	\$0	\$0	\$0
<b>Benefit Reductions and Savings / (Increase) - Active State Drugs</b>	\$0	\$13,700,000	\$0	\$0	\$0
<b>Benefit Reductions and Savings / (Increase) - Active Local Medical</b>	\$0	\$7,900,000	\$0	\$0	\$0
<b>Benefit Reductions and Savings / (Increase) - Active Local Drugs</b>	\$0	\$3,300,000	\$0	\$0	\$0
<b>Pay Go Premium Transfer</b>	\$29,074,458	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000

Future fiscal year state revenue increases will require legislative appropriation. Additional local agency revenue represents premium increases to be charged to local agencies. Additional employee premiums represent employee premiums paid by active employees participating in the State Fund.

West Virginia Public Employees Insurance Agency Finance Board has implemented approximately \$49.2M benefit reductions for the active state employees and \$11.2M benefit reductions for the active local employees in FY 2026. Below is the summary of the benefit changes.

<u>FY 2026 Benefit Reductions (in millions)</u>	<u>State</u>	<u>Local</u>
Increase DED/MOOP 40% Plan A,B,C,&D	\$23.70	\$6.32
Inpatient Services Copays/Coinsurance	1.29	0.32
Hospital Outpatient Services Copays/Coinsurance	4.22	1.06
Outpatient Therapies Copays/Coinsurance	2.97	0.74
ER Treatment - Non Emergency Copay	0.40	0.10
RX 2x Copays and 2x Deductibles	11.30	2.70
Spouse Surcharge Med Claims Savings	3.17	0.00
<u>Spouse Surcharge Rx Claims Savings</u>	<u>2.12</u>	<u>0.00</u>
Total	\$49.16	\$11.24

In FY 2025, the ACA PCORI fee is approximately \$3.47 per person per year.

### **E. Provider Reimbursement Changes**

Throughout the forecast, there are no assumed changes in provider reimbursement for physicians, hospitals, and pharmaceutical charges beyond the annual cost updates that PEIA has implemented historically.

### **FISCAL YEAR 2025 FORECAST**

The financial forecast for FY 2025 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2025 projects accrued revenue of \$1,120,851,223 and incurred plan expenses of \$1,114,524,286 to produce a fiscal year surplus of \$6,326,937. The PEIA local and state agencies Pay Go premiums for FY 2025 are assumed to be \$29,074,458.

Under the Baseline Scenario, FY 2025 is projected to end with a Total Fund reserve (State and Local Reserves) of \$88,280,338 and projected plan expenditures of \$1,085,449,828. This represents 8.1% of projected expenditures based on the current reserve methodology. The projected reserve does not meet the minimum actuarial required reserve of \$133,121,611. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario.

The State Fund in FY 2025 is projected to end with a reserve of \$84,997,251, which represents 9.6% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of \$108,617,079.

The Local Fund in FY 2025 is projected to end with a reserve of \$3,283,086, which represents 1.7% of projected expenditures. The projected Local Fund reserve does not meet the minimum actuarial required reserve of \$24,504,532.

### **FISCAL YEAR 2026 FORECAST**

The financial forecast for FY 2026 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2026 projects accrued revenue of \$1,196,604,174 and incurred plan expenses of \$1,142,853,588 to produce a fiscal year surplus of \$53,750,586. The PEIA local and state agencies Pay Go premiums for FY 2026 are assumed to be \$10,000,000.

Under the Baseline Scenario, FY 2026 is projected to end with a Total Fund reserve (State and Local Reserves) of \$142,030,923 and projected plan expenditures of \$1,132,853,588. This represents 12.5% of projected expenditures based on the current reserve methodology. The projected reserve meets the minimum actuarial required reserve of \$138,869,105. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario. Under the Optimistic Scenario, the ending Total Fund reserve is expected to increase to \$185,958,151 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to \$97,811,500.

The State Fund in FY 2026 is projected to end with a reserve of \$126,951,149, which represents 13.7% of projected expenditures. The projected State Fund reserve meets the minimum actuarial required reserve of \$113,285,669.

The Local Fund in FY 2026 is projected to end with a reserve of \$15,079,774, which represents 7.3% of projected expenditures. The projected Local Fund reserve does not meet the minimum actuarial required reserve of \$25,583,436.

### **FISCAL YEAR 2027 FORECAST**

The financial forecast for FY 2027 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2027 projects accrued revenue of \$1,306,188,979 and incurred plan expenses of \$1,275,477,108 to produce a fiscal year surplus of \$30,711,870. The PEIA local and state agencies Pay Go premiums for FY 2027 are assumed to be \$10,000,000.

Under the Baseline Scenario, FY 2027 is projected to end with a Total Fund reserve (State and Local Reserves) of \$172,742,794 and projected plan expenditures of \$1,265,477,108. This represents 13.7% of projected expenditures based on the current reserve methodology. The projected reserve meets the minimum actuarial required reserve of \$155,306,956. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario. Under the Optimistic Scenario, the ending Total Fund reserve is expected to increase to \$277,074,602 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to \$66,410,799.

The State Fund in FY 2027 is projected to end with a reserve of \$142,942,188, which represents 13.8% of projected expenditures. The projected State Fund reserve meets the minimum actuarial required reserve of \$126,646,487.

The Local Fund in FY 2027 is projected to end with a reserve of \$29,800,605, which represents 12.8% of projected expenditures. The projected Local Fund reserve meets the minimum actuarial required reserve of \$28,660,469.

### **FISCAL YEAR 2028 FORECAST**

The financial forecast for FY 2028 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2028 projects accrued revenue of \$1,433,959,994 and incurred plan expenses of \$1,431,362,952 to produce a fiscal year surplus of \$2,597,042. The PEIA local and state agencies Pay Go premiums for FY 2028 are assumed to be \$10,000,000.

Under the Baseline Scenario, FY 2028 is projected to end with a Total Fund reserve (State and Local Reserves) of \$175,339,835 and projected plan expenditures of \$1,421,362,952. This represents 12.3% of projected expenditures based on the current reserve methodology. The projected reserve meets the minimum actuarial required reserve of \$174,644,931. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario. Under the Optimistic Scenario, the ending Total Fund reserve is expected to increase to \$374,311,568 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to (\$29,991,482).

The State Fund in FY 2028 is projected to end with a reserve of \$132,156,537, which represents 11.4% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of \$142,359,034.

The Local Fund in FY 2028 is projected to end with a reserve of \$43,183,298, which represents 16.5% of projected expenditures. The projected Local Fund reserve meets the minimum actuarial required reserve of \$32,285,897.

### **FISCAL YEAR 2029 FORECAST**

The financial forecast for FY 2029 under the Baseline scenario is presented in the Appendix. The Baseline forecast for FY 2029 projects accrued revenue of \$1,628,108,365 and incurred plan expenses of \$1,615,114,651 to produce a fiscal year surplus of \$12,993,715. The PEIA local and state agencies Pay Go premiums for FY 2029 are assumed to be \$10,000,000.

Under the Baseline Scenario, FY 2029 is projected to end with a Total Fund reserve (State and Local Reserves) of \$188,333,550 and projected plan expenditures of \$1,605,114,651. This represents 11.7% of projected expenditures based on the current reserve methodology. The projected reserve does not meet the minimum actuarial required reserve of \$197,458,033. This required reserve is comprised of 12.5% of self-insured claim expenses, and 10% of all other program expenses under the Baseline Scenario. Under the Optimistic Scenario, the ending Total Fund reserve is expected to increase to \$524,439,969 and under the Pessimistic Scenario, the ending Total Fund reserve is expected to decrease to (\$162,908,354).

The State Fund in FY 2029 is projected to end with a reserve of \$141,415,955, which represents 10.8% of projected expenditures. The projected State Fund reserve does not meet the minimum actuarial required reserve of \$160,889,134.

The Local Fund in FY 2029 is projected to end with a reserve of \$46,917,595, which represents 15.9% of projected expenditures. The projected Local Fund reserve meets the minimum actuarial required reserve of \$36,568,899.

## **LITIGATION**

The forecasts presented in the attached tables do not contemplate any additional revenues or expenses to be generated from litigation activities.

## **SUMMARY**

With projected changes to the plan as adopted by the PEIA Finance Board, we are forecasting that the plan will not meet the minimum 10% reserve target set by West Virginia Statute in fiscal year 2025. Additionally, the plan will not meet the minimum actuarial required reserve target in fiscal year 2025. We are currently projecting that the State reserve will be under the minimum actuarial reserve using the baseline assumptions in fiscal years 2025, 2028 and 2029; and the Local reserve will be under the minimum actuarial reserve using the baseline assumptions in fiscal years 2025 and 2026. These projections are based on significant revenue increases as contained in the financial plan adopted by the Board in December 2024 and are contingent on legislative approval.

These forecasts are based on assumptions including the estimated cost and savings of plan changes, expected trend levels and exposure levels. The continued enrollment changes of the managed care options, changes in physician, ambulatory and hospital provider reimbursement, possible changes in methodology of managed care premium calculation, and changes in the prescription drugs program, can be expected to further exacerbate the difficulty of projecting future medical and drugs claim levels and lags. These projections do not incorporate any anticipated effects of national or state health care reform, such as universal health insurance initiatives and Medicaid reform. As such, actual results deviating from those amounts projected in these pages should not be unexpected. With the legislatively mandated requirement of a five-year projection, it should be assumed that constant modifications would be required.

**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2025**

**PERIOD 7/1/2024 - 6/30/2025**

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 173,605,499	\$ 576,818,400	\$ 750,423,900
Employer Premiums - MCO	8,850,251	64,034,362	72,884,613
Employee Premiums - PPB	-	147,555,174	147,555,174
Employee Premiums - MCO	-	16,596,903	16,596,903
WV RHBT Pay Go Premiums	5,938,067	23,136,391	29,074,458
Life Insurance	471,219	2,152,164	2,623,383
Direct Transfers	-	87,000,000	87,000,000
Investment Income	1,591,336	6,669,600	8,260,936
Litigation Settlement	-	-	-
COBRA Premiums	314,933	1,438,372	1,753,305
Administrative Fees	715,298	3,963,253	4,678,551
<b>Total Revenue</b>	<b>\$ 191,486,604</b>	<b>\$ 929,364,619</b>	<b>\$ 1,120,851,223</b>
<u>Program Expenses</u>			
Medical Claims	\$ 129,860,658	\$ 560,255,992	\$ 690,116,650
Gross Prescription Drug Claims	81,201,162	343,744,359	424,945,521
Prescription Drug Rebates	(24,875,758)	(108,946,623)	(133,822,380)
Managed Care Capitations	6,050,837	63,922,591	69,973,428
Administration	4,623,624	21,117,128	25,740,752
Life Insurance	639,528	2,920,869	3,560,397
Wellness	474,713	2,168,119	2,642,832
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	91,103	376,168	467,271
Director's Discretionary Fund	346,354	1,479,003	1,825,356
WV RHBT Pay Go Premiums	5,938,067	23,136,391	29,074,458
<b>Total Expenses</b>	<b>\$ 204,350,287</b>	<b>\$ 910,173,999</b>	<b>\$ 1,114,524,286</b>
<b>Fiscal Year Results</b>	<b>\$ (12,863,684)</b>	<b>\$ 19,190,621</b>	<b>\$ 6,326,937</b>
Beginning Plan Reserve	16,146,770	65,806,630	81,953,400
Minimum Actuarial Reserve Required	\$ 24,504,532	\$ 108,617,079	\$ 133,121,611
<u>Ending Premium Stabilization Reserve</u>	<u>(21,221,446)</u>	<u>(23,619,828)</u>	<u>(44,841,274)</u>
Ending Plan Reserve	\$ 3,283,086	\$ 84,997,251	\$ 88,280,338
Reserve as a Percent of Expenses			8%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 62,700,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 22,800,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employee Premiums	\$ 15,700,000	Active Local	8.0%	15.0%
Direct Transfers	\$ 87,000,000	State	8.0%	15.0%
		Prescription Drug Rebates		5.0%
		Capitations		8.9%
		Administrative Expense		-6.0%



**APPENDIX - BASELINE SCENARIO**  
**PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2025**

**PERIOD 7/1/2024 - 6/30/2025**

<b>Local Fund</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 151,928,101	\$ 21,677,398	\$ 173,605,499
Employer Premiums - MCO	7,727,649	1,122,602	8,850,251
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	5,938,067		5,938,067
Life Insurance	471,219		471,219
Direct Transfers	-		-
Investment Income	1,591,336		1,591,336
Litigation Settlement	-		-
COBRA Premiums	314,933		314,933
Administrative Fees	715,298		715,298
<b>Total Revenue</b>	<b>\$ 168,686,604</b>	<b>\$ 22,800,000</b>	<b>\$ 191,486,604</b>
<u>Program Expenses</u>			
Medical Claims	\$ 129,860,658	\$ -	\$ 129,860,658
Gross Prescription Drug Claims	81,201,162	\$ -	81,201,162
Prescription Drug Rebates	(24,875,758)		(24,875,758)
Managed Care Capitations	6,050,837		6,050,837
Administration	4,623,624		4,623,624
Life Insurance	639,528		639,528
Wellness	474,713		474,713
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	91,103		91,103
Director's Discretionary Fund	346,354		346,354
WV RHBT Pay Go Premiums	5,938,067		5,938,067
<b>Total Expenses</b>	<b>\$ 204,350,287</b>	<b>\$ -</b>	<b>\$ 204,350,287</b>
<b>Fiscal Year Results</b>	<b>\$ (35,663,684)</b>		<b>\$ (12,863,684)</b>
Beginning Plan Reserve	16,146,770		16,146,770
Minimum Actuarial Reserve Required	\$ 24,504,532	\$ -	\$ 24,504,532
<u>Ending Premium Stabilization Reserve</u>	<u>(44,021,446)</u>	<u>-</u>	<u>(21,221,446)</u>
Ending Plan Reserve	\$ (19,516,914)		\$ 3,283,086
Reserve as a Percent of Expenses			2%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 22,800,000	<b>Claim and Other Expense Trends</b>		
Direct Transfers	\$ -	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
		Local	8.0%	15.0%
		Prescription Drug Rebates		5.0%
		Capitations		8.9%
		Administrative Expense		-6.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2025**

**PERIOD 7/1/2024 - 6/30/2025**

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 520,456,957	\$ 56,361,444	\$ 576,818,400
Employer Premiums - MCO	57,695,806	6,338,556	64,034,362
Employee Premiums - PPB	133,452,409	14,102,765	147,555,174
Employee Premiums - MCO	14,999,668	1,597,235	16,596,903
WV RHBT Pay Go Premiums	23,136,391		23,136,391
Life Insurance	2,152,164		2,152,164
Direct Transfers	87,000,000		87,000,000
Investment Income	6,669,600		6,669,600
Litigation Settlement	-		-
COBRA Premiums	1,438,372		1,438,372
Administrative Fees	3,963,253		3,963,253
Total Revenue	\$ 850,964,619	\$ 78,400,000	\$ 929,364,619
<u>Program Expenses</u>			
Medical Claims	\$ 560,255,992	\$ -	\$ 560,255,992
Gross Prescription Drug Claims	343,744,359	\$ -	343,744,359
Prescription Drug Rebates	(108,946,623)		(108,946,623)
Managed Care Capitations	63,922,591		63,922,591
Administration	21,117,128		21,117,128
Life Insurance	2,920,869		2,920,869
Wellness	2,168,119		2,168,119
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	376,168		376,168
Director's Discretionary Fund	1,479,003		1,479,003
WV RHBT Pay Go Premiums	23,136,391		23,136,391
Total Expenses	\$ 910,173,999	\$ -	\$ 910,173,999
Fiscal Year Results	\$ (59,209,379)		\$ 19,190,621
Beginning Plan Reserve	65,806,630		65,806,630
Minimum Actuarial Reserve Required	\$ 108,617,079	\$ -	\$ 108,617,079
<u>Ending Premium Stabilization Reserve</u>	<u>(102,019,828)</u>	<u>-</u>	<u>(23,619,828)</u>
Ending Plan Reserve	\$ 6,597,251		\$ 84,997,251
Reserve as a Percent of Expenses			10%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 62,700,000	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ 15,700,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ 87,000,000	State	8.0%	15.0%
		Prescription Drug Rebates		5.0%
		Capitations		8.9%
		Administrative Expense		-6.0%

**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2026**

**PERIOD 7/1/2025 - 6/30/2026**

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 205,760,230	\$ 674,120,331	\$ 879,880,562
Employer Premiums - MCO	10,492,844	74,809,565	85,302,409
Employee Premiums - PPB	-	182,342,338	182,342,338
Employee Premiums - MCO	-	20,509,739	20,509,739
WV RHBT Pay Go Premiums	2,040,743	7,959,257	10,000,000
Life Insurance	494,780	2,259,772	2,754,552
Direct Transfers	-	-	-
Investment Income	1,182,266	7,879,855	9,062,122
Litigation Settlement	-	-	-
COBRA Premiums	373,270	1,700,631	2,073,901
Administrative Fees	715,298	3,963,253	4,678,551
<b>Total Revenue</b>	<b>\$ 221,059,432</b>	<b>\$ 975,544,742</b>	<b>\$ 1,196,604,174</b>
<u>Program Expenses</u>			
Medical Claims	\$ 132,705,646	\$ 571,109,361	\$ 703,815,007
Gross Prescription Drug Claims	87,514,931	370,699,742	458,214,673
Prescription Drug Rebates	(26,119,545)	(114,393,954)	(140,513,499)
Managed Care Capitations	6,413,887	67,757,947	74,171,834
Administration	5,052,004	23,073,636	28,125,639
Life Insurance	721,905	3,268,512	3,990,417
Wellness	493,701	2,254,844	2,748,545
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	91,053	376,252	467,306
Director's Discretionary Fund	348,420	1,485,247	1,833,667
WV RHBT Pay Go Premiums	2,040,743	7,959,257	10,000,000
<b>Total Expenses</b>	<b>\$ 209,262,744</b>	<b>\$ 933,590,844</b>	<b>\$ 1,142,853,588</b>
<b>Fiscal Year Results</b>	<b>\$ 11,796,688</b>	<b>\$ 41,953,898</b>	<b>\$ 53,750,586</b>
Beginning Plan Reserve	3,283,086	84,997,251	88,280,338
Minimum Actuarial Reserve Required	\$ 25,583,436	\$ 113,285,669	\$ 138,869,105
<u>Ending Premium Stabilization Reserve</u>	<u>(10,503,662)</u>	<u>13,665,480</u>	<u>3,161,818</u>
Ending Plan Reserve	\$ 15,079,774	\$ 126,951,149	\$ 142,030,923
Reserve as a Percent of Expenses			13%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 92,900,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 29,900,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employee Premiums	\$ 38,700,000	Active Local	8.5%	15.5%
Direct Transfers	\$ -	State	8.5%	15.5%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**

**PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2026**

**PERIOD 7/1/2025 - 6/30/2026**

<b>Local Fund</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 177,311,291	\$ 28,448,939	\$ 205,760,230
Employer Premiums - MCO	9,041,783	1,451,061	10,492,844
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	2,040,743		2,040,743
Life Insurance	494,780		494,780
Direct Transfers	-		-
Investment Income	1,182,266		1,182,266
Litigation Settlement	-		-
COBRA Premiums	373,270		373,270
Administrative Fees	715,298		715,298
<b>Total Revenue</b>	<b>\$ 191,159,432</b>	<b>\$ 29,900,000</b>	<b>\$ 221,059,432</b>
<u>Program Expenses</u>			
Medical Claims	\$ 140,605,646	\$ (7,900,000)	\$ 132,705,646
Gross Prescription Drug Claims	90,814,931	\$ (3,300,000)	87,514,931
Prescription Drug Rebates	(26,119,545)		(26,119,545)
Managed Care Capitations	6,413,887		6,413,887
Administration	5,052,004		5,052,004
Life Insurance	721,905		721,905
Wellness	493,701		493,701
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	91,053		91,053
Director's Discretionary Fund	348,420		348,420
WV RHBT Pay Go Premiums	2,040,743		2,040,743
<b>Total Expenses</b>	<b>\$ 220,462,744</b>	<b>\$ (11,200,000)</b>	<b>\$ 209,262,744</b>
Fiscal Year Results	\$ (29,303,312)		\$ 11,796,688
Beginning Plan Reserve	3,283,086		3,283,086
Minimum Actuarial Reserve Required	\$ 25,583,436	\$ -	\$ 25,583,436
<u>Ending Premium Stabilization Reserve</u>	<u>(51,603,662)</u>	<u>-</u>	<u>(10,503,662)</u>
Ending Plan Reserve	\$ (26,020,226)		\$ 15,079,774
Reserve as a Percent of Expenses			7%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 29,900,000	<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
		Local	8.5%	15.5%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2026**

**PERIOD 7/1/2025 - 6/30/2026**

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 590,498,925	\$ 83,621,406	\$ 674,120,331
Employer Premiums - MCO	65,530,971	9,278,594	74,809,565
Employee Premiums - PPB	147,555,174	34,787,164	182,342,338
Employee Premiums - MCO	16,596,903	3,912,836	20,509,739
WV RHBT Pay Go Premiums	7,959,257		7,959,257
Life Insurance	2,259,772		2,259,772
Direct Transfers	-		-
Investment Income	7,879,855		7,879,855
Litigation Settlement	-		-
COBRA Premiums	1,700,631		1,700,631
Administrative Fees	3,963,253		3,963,253
Total Revenue	\$ 843,944,742	\$ 131,600,000	\$ 975,544,742
<u>Program Expenses</u>			
Medical Claims	\$ 606,609,361	\$ (35,500,000)	\$ 571,109,361
Gross Prescription Drug Claims	384,399,742	\$ (13,700,000)	370,699,742
Prescription Drug Rebates	(114,393,954)		(114,393,954)
Managed Care Capitations	67,757,947		67,757,947
Administration	23,073,636		23,073,636
Life Insurance	3,268,512		3,268,512
Wellness	2,254,844		2,254,844
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	376,252		376,252
Director's Discretionary Fund	1,485,247		1,485,247
WV RHBT Pay Go Premiums	7,959,257		7,959,257
Total Expenses	\$ 982,790,844	\$ (49,200,000)	\$ 933,590,844
Fiscal Year Results	\$ (138,846,102)		\$ 41,953,898
Beginning Plan Reserve	84,997,251		84,997,251
Minimum Actuarial Reserve Required	\$ 113,285,669	\$ -	\$ 113,285,669
<u>Ending Premium Stabilization Reserve</u>	<u>(167,134,520)</u>	<u>-</u>	<u>13,665,480</u>
Ending Plan Reserve	\$ (53,848,851)		\$ 126,951,149
Reserve as a Percent of Expenses			14%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 92,900,000	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ 38,700,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ -	State	8.5%	15.5%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2027**

**PERIOD 7/1/2026 - 6/30/2027**

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 231,449,908	\$ 737,128,926	\$ 968,578,834
Employer Premiums - MCO	11,803,166	81,800,971	93,604,137
Employee Premiums - PPB	-	190,881,823	190,881,823
Employee Premiums - MCO	-	21,470,254	21,470,254
WV RHBT Pay Go Premiums	2,040,743	7,959,257	10,000,000
Life Insurance	519,519	2,372,761	2,892,280
Direct Transfers	-	-	-
Investment Income	1,769,775	10,050,770	11,820,545
Litigation Settlement	-	-	-
COBRA Premiums	419,875	1,842,680	2,262,555
Administrative Fees	715,298	3,963,253	4,678,551
<b>Total Revenue</b>	<b>\$ 248,718,284</b>	<b>\$ 1,057,470,695</b>	<b>\$ 1,306,188,979</b>
<u>Program Expenses</u>			
Medical Claims	\$ 144,348,218	\$ 621,221,969	\$ 765,570,186
Gross Prescription Drug Claims	101,321,136	429,185,796	530,506,933
Prescription Drug Rebates	(27,425,523)	(120,113,651)	(147,539,174)
Managed Care Capitations	6,798,720	71,823,423	78,622,144
Administration	5,203,564	23,765,845	28,969,409
Life Insurance	758,000	3,431,938	4,189,938
Wellness	513,449	2,345,038	2,858,487
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	91,053	376,252	467,306
Director's Discretionary Fund	348,092	1,483,789	1,831,881
WV RHBT Pay Go Premiums	2,040,743	7,959,257	10,000,000
<b>Total Expenses</b>	<b>\$ 233,997,453</b>	<b>\$ 1,041,479,656</b>	<b>\$ 1,275,477,108</b>
<b>Fiscal Year Results</b>	<b>\$ 14,720,831</b>	<b>\$ 15,991,039</b>	<b>\$ 30,711,870</b>
<b>Beginning Plan Reserve</b>	<b>15,079,774</b>	<b>126,951,149</b>	<b>142,030,923</b>
<b>Minimum Actuarial Reserve Required</b>	<b>\$ 28,660,469</b>	<b>\$ 126,646,487</b>	<b>\$ 155,306,956</b>
<b>Ending Premium Stabilization Reserve</b>	<b>1,140,136</b>	<b>16,295,701</b>	<b>17,435,837</b>
<b>Ending Plan Reserve</b>	<b>\$ 29,800,605</b>	<b>\$ 142,942,188</b>	<b>\$ 172,742,794</b>
<b>Reserve as a Percent of Expenses</b>			<b>14%</b>

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 70,000,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 27,000,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employee Premiums	\$ 9,500,000	Active Local	9.0%	16.0%
Direct Transfers	\$ -	State	9.0%	16.0%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2027**

**PERIOD 7/1/2026 - 6/30/2027**

<b>Local Fund</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 205,760,230	\$ 25,689,678	\$ 231,449,908
Employer Premiums - MCO	10,492,844	1,310,322	11,803,166
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	2,040,743		2,040,743
Life Insurance	519,519		519,519
Direct Transfers	-		-
Investment Income	1,769,775		1,769,775
Litigation Settlement	-		-
COBRA Premiums	419,875		419,875
Administrative Fees	715,298		715,298
<b>Total Revenue</b>	<b>\$ 221,718,284</b>	<b>\$ 27,000,000</b>	<b>\$ 248,718,284</b>
<u>Program Expenses</u>			
Medical Claims	\$ 144,348,218	\$ -	\$ 144,348,218
Gross Prescription Drug Claims	101,321,136	\$ -	101,321,136
Prescription Drug Rebates	(27,425,523)		(27,425,523)
Managed Care Capitations	6,798,720		6,798,720
Administration	5,203,564		5,203,564
Life Insurance	758,000		758,000
Wellness	513,449		513,449
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	91,053		91,053
Director's Discretionary Fund	348,092		348,092
WV RHBT Pay Go Premiums	2,040,743		2,040,743
<b>Total Expenses</b>	<b>\$ 233,997,453</b>	<b>\$ -</b>	<b>\$ 233,997,453</b>
Fiscal Year Results	\$ (12,279,169)		\$ 14,720,831
Beginning Plan Reserve	15,079,774		15,079,774
Minimum Actuarial Reserve Required	\$ 28,660,469	\$ -	\$ 28,660,469
<u>Ending Premium Stabilization Reserve</u>	<u>(25,859,864)</u>	<u>-</u>	<u>1,140,136</u>
Ending Plan Reserve	\$ 2,800,605		\$ 29,800,605
Reserve as a Percent of Expenses			13%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 27,000,000	<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
		Local	9.0%	16.0%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2027**

PERIOD 7/1/2026 - 6/30/2027

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 674,120,331	\$ 63,008,594	\$ 737,128,926
Employer Premiums - MCO	74,809,565	6,991,406	81,800,971
Employee Premiums - PPB	182,342,338	8,539,485	190,881,823
Employee Premiums - MCO	20,509,739	960,515	21,470,254
WV RHBT Pay Go Premiums	7,959,257		7,959,257
Life Insurance	2,372,761		2,372,761
Direct Transfers	-		-
Investment Income	10,050,770		10,050,770
Litigation Settlement	-		-
COBRA Premiums	1,842,680		1,842,680
Administrative Fees	3,963,253		3,963,253
Total Revenue	\$ 977,970,695	\$ 79,500,000	\$ 1,057,470,695
<u>Program Expenses</u>			
Medical Claims	\$ 621,221,969	\$ -	\$ 621,221,969
Gross Prescription Drug Claims	429,185,796	\$ -	429,185,796
Prescription Drug Rebates	(120,113,651)		(120,113,651)
Managed Care Capitations	71,823,423		71,823,423
Administration	23,765,845		23,765,845
Life Insurance	3,431,938		3,431,938
Wellness	2,345,038		2,345,038
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	376,252		376,252
Director's Discretionary Fund	1,483,789		1,483,789
WV RHBT Pay Go Premiums	7,959,257		7,959,257
Total Expenses	\$ 1,041,479,656	\$ -	\$ 1,041,479,656
Fiscal Year Results	\$ (63,508,961)		\$ 15,991,039
Beginning Plan Reserve	126,951,149		126,951,149
Minimum Actuarial Reserve Required	\$ 126,646,487	\$ -	\$ 126,646,487
<u>Ending Premium Stabilization Reserve</u>	<u>(63,204,299)</u>	<u>-</u>	<u>16,295,701</u>
Ending Plan Reserve	\$ 63,442,188		\$ 142,942,188
Reserve as a Percent of Expenses			14%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 70,000,000	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ 9,500,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ -	State	9.0%	16.0%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%



**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2028**

**PERIOD 7/1/2027 - 6/30/2028**

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 257,139,585	\$ 810,938,994	\$ 1,068,078,579
Employer Premiums - MCO	13,113,489	89,990,903	103,104,392
Employee Premiums - PPB	-	205,713,560	205,713,560
Employee Premiums - MCO	-	23,138,517	23,138,517
WV RHBT Pay Go Premiums	2,040,743	7,959,257	10,000,000
Life Insurance	545,495	2,491,399	3,036,894
Direct Transfers	-	-	-
Investment Income	2,486,971	11,237,373	13,724,343
Litigation Settlement	-	-	-
COBRA Premiums	466,479	2,018,679	2,485,158
Administrative Fees	715,298	3,963,253	4,678,551
<b>Total Revenue</b>	<b>\$ 276,508,060</b>	<b>\$ 1,157,451,934</b>	<b>\$ 1,433,959,994</b>
<u>Program Expenses</u>			
Medical Claims	\$ 157,734,236	\$ 678,839,057	\$ 836,573,294
Gross Prescription Drug Claims	117,812,173	499,046,012	616,858,185
Prescription Drug Rebates	(28,796,799)	(126,119,334)	(154,916,133)
Managed Care Capitations	7,206,643	76,132,829	83,339,472
Administration	5,359,671	24,478,820	29,838,491
Life Insurance	795,900	3,603,535	4,399,435
Wellness	533,987	2,438,839	2,972,827
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	91,053	376,252	467,306
Director's Discretionary Fund	347,759	1,482,317	1,830,077
WV RHBT Pay Go Premiums	2,040,743	7,959,257	10,000,000
<b>Total Expenses</b>	<b>\$ 263,125,367</b>	<b>\$ 1,168,237,585</b>	<b>\$ 1,431,362,952</b>
<b>Fiscal Year Results</b>	<b>\$ 13,382,693</b>	<b>\$ (10,785,651)</b>	<b>\$ 2,597,042</b>
Beginning Plan Reserve	29,800,605	142,942,188	172,742,794
Minimum Actuarial Reserve Required	\$ 32,285,897	\$ 142,359,034	\$ 174,644,931
Ending Premium Stabilization Reserve	10,897,402	(10,202,497)	694,905
Ending Plan Reserve	\$ 43,183,298	\$ 132,156,537	\$ 175,339,835
Reserve as a Percent of Expenses			12%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 82,000,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 27,000,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employee Premiums	\$ 16,500,000	Active Local	9.5%	16.5%
Direct Transfers	\$ -	State	9.5%	16.5%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2028**

**PERIOD 7/1/2027 - 6/30/2028**

<b>Local Fund</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 231,449,908	\$ 25,689,678	\$ 257,139,585
Employer Premiums - MCO	11,803,166	1,310,322	13,113,489
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	2,040,743		2,040,743
Life Insurance	545,495		545,495
Direct Transfers	-		-
Investment Income	2,486,971		2,486,971
Litigation Settlement	-		-
COBRA Premiums	466,479		466,479
Administrative Fees	715,298		715,298
<b>Total Revenue</b>	<b>\$ 249,508,060</b>	<b>\$ 27,000,000</b>	<b>\$ 276,508,060</b>
<u>Program Expenses</u>			
Medical Claims	\$ 157,734,236	\$ -	\$ 157,734,236
Gross Prescription Drug Claims	117,812,173	\$ -	117,812,173
Prescription Drug Rebates	(28,796,799)		(28,796,799)
Managed Care Capitations	7,206,643		7,206,643
Administration	5,359,671		5,359,671
Life Insurance	795,900		795,900
Wellness	533,987		533,987
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	91,053		91,053
Director's Discretionary Fund	347,759		347,759
WV RHBT Pay Go Premiums	2,040,743		2,040,743
<b>Total Expenses</b>	<b>\$ 263,125,367</b>	<b>\$ -</b>	<b>\$ 263,125,367</b>
Fiscal Year Results	\$ (13,617,307)		\$ 13,382,693
Beginning Plan Reserve	29,800,605		29,800,605
Minimum Actuarial Reserve Required	\$ 32,285,897	\$ -	\$ 32,285,897
<u>Ending Premium Stabilization Reserve</u>	<u>(16,102,598)</u>	<u>-</u>	<u>10,897,402</u>
Ending Plan Reserve	\$ 16,183,298		\$ 43,183,298
Reserve as a Percent of Expenses			17%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 27,000,000	<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
		Local	9.5%	16.5%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2028**

**PERIOD 7/1/2027 - 6/30/2028**

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 737,128,926	\$ 73,810,068	\$ 810,938,994
Employer Premiums - MCO	81,800,971	8,189,932	89,990,903
Employee Premiums - PPB	190,881,823	14,831,737	205,713,560
Employee Premiums - MCO	21,470,254	1,668,263	23,138,517
WV RHBT Pay Go Premiums	7,959,257		7,959,257
Life Insurance	2,491,399		2,491,399
Direct Transfers	-		-
Investment Income	11,237,373		11,237,373
Litigation Settlement	-		-
COBRA Premiums	2,018,679		2,018,679
Administrative Fees	3,963,253		3,963,253
<b>Total Revenue</b>	<b>\$ 1,058,951,934</b>	<b>\$ 98,500,000</b>	<b>\$ 1,157,451,934</b>
<u>Program Expenses</u>			
Medical Claims	\$ 678,839,057	\$ -	\$ 678,839,057
Gross Prescription Drug Claims	499,046,012	\$ -	499,046,012
Prescription Drug Rebates	(126,119,334)		(126,119,334)
Managed Care Capitations	76,132,829		76,132,829
Administration	24,478,820		24,478,820
Life Insurance	3,603,535		3,603,535
Wellness	2,438,839		2,438,839
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	376,252		376,252
Director's Discretionary Fund	1,482,317		1,482,317
WV RHBT Pay Go Premiums	7,959,257		7,959,257
<b>Total Expenses</b>	<b>\$ 1,168,237,585</b>	<b>\$ -</b>	<b>\$ 1,168,237,585</b>
<b>Fiscal Year Results</b>	<b>\$ (109,285,651)</b>		<b>\$ (10,785,651)</b>
Beginning Plan Reserve	142,942,188		142,942,188
Minimum Actuarial Reserve Required	\$ 142,359,034	\$ -	\$ 142,359,034
<u>Ending Premium Stabilization Reserve</u>	<u>(108,702,497)</u>	<u>-</u>	<u>(10,202,497)</u>
Ending Plan Reserve	\$ 33,656,537		\$ 132,156,537
Reserve as a Percent of Expenses			11%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 82,000,000	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ 16,500,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ -	State	9.5%	16.5%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO  
PEIA - ACTIVE LOCAL AND STATE**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY  
FINANCIAL FORECAST  
FISCAL YEAR 2029**

**PERIOD 7/1/2028 - 6/30/2029**

	<b>Active Local Fund</b>	<b>State Fund</b>	<b>PEIA Total</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 279,974,854	\$ 932,455,569	\$ 1,212,430,423
Employer Premiums - MCO	14,278,220	103,474,328	117,752,548
Employee Premiums - PPB	-	236,096,148	236,096,148
Employee Premiums - MCO	-	26,555,929	26,555,929
WV RHBT Pay Go Premiums	2,040,743	7,959,257	10,000,000
Life Insurance	572,770	2,615,969	3,188,738
Direct Transfers	-	-	-
Investment Income	3,164,763	11,413,072	14,577,835
Litigation Settlement	-	-	-
COBRA Premiums	507,905	2,320,288	2,828,193
Administrative Fees	715,298	3,963,253	4,678,551
<b>Total Revenue</b>	<b>\$ 301,254,553</b>	<b>\$ 1,326,853,813</b>	<b>\$ 1,628,108,365</b>
<u>Program Expenses</u>			
Medical Claims	\$ 173,150,568	\$ 745,195,501	\$ 918,346,069
Gross Prescription Drug Claims	137,576,562	582,773,764	720,350,326
Prescription Drug Rebates	(30,236,639)	(132,425,301)	(162,661,939)
Managed Care Capitations	7,639,042	80,700,799	88,339,841
Administration	5,520,461	25,213,185	30,733,646
Life Insurance	835,695	3,783,712	4,619,406
Wellness	555,347	2,536,393	3,091,740
ACA Reinsurance Contributions	-	-	-
ACA PCORI Fees	91,053	376,252	467,306
Director's Discretionary Fund	347,423	1,480,834	1,828,257
WV RHBT Pay Go Premiums	2,040,743	7,959,257	10,000,000
<b>Total Expenses</b>	<b>\$ 297,520,256</b>	<b>\$ 1,317,594,395</b>	<b>\$ 1,615,114,651</b>
<b>Fiscal Year Results</b>	<b>\$ 3,734,297</b>	<b>\$ 9,259,417</b>	<b>\$ 12,993,715</b>
Beginning Plan Reserve	43,183,298	132,156,537	175,339,835
Minimum Actuarial Reserve Required	\$ 36,568,899	\$ 160,889,134	\$ 197,458,033
Ending Premium Stabilization Reserve	10,348,696	(19,473,179)	(9,124,483)
Ending Plan Reserve	\$ 46,917,595	\$ 141,415,955	\$ 188,333,550
Reserve as a Percent of Expenses			12%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 135,000,000	<b>Claim and Other Expense Trends</b>		
Additional Local Agency Revenue	\$ 24,000,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Additional State Employee Premiums	\$ 33,800,000	Active Local	10.0%	17.0%
Direct Transfers	\$ -	State	10.0%	17.0%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - LOCAL FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2029**

**PERIOD 7/1/2028 - 6/30/2029**

<b>Local Fund</b>	<b>Baseline Projection</b>	<b>Board Decision</b>	<b>Ending Projection</b>
<u>Revenues</u>			
Employer Premiums - PPB	\$ 257,139,585	\$ 22,835,269	\$ 279,974,854
Employer Premiums - MCO	13,113,489	1,164,731	14,278,220
Employee Premiums - PPB	-	-	-
Employee Premiums - MCO	-	-	-
WV RHBT Pay Go Premiums	2,040,743		2,040,743
Life Insurance	572,770		572,770
Direct Transfers	-		-
Investment Income	3,164,763		3,164,763
Litigation Settlement	-		-
COBRA Premiums	507,905		507,905
Administrative Fees	715,298		715,298
<b>Total Revenue</b>	<b>\$ 277,254,553</b>	<b>\$ 24,000,000</b>	<b>\$ 301,254,553</b>
<u>Program Expenses</u>			
Medical Claims	\$ 173,150,568	\$ -	\$ 173,150,568
Gross Prescription Drug Claims	137,576,562	\$ -	137,576,562
Prescription Drug Rebates	(30,236,639)		(30,236,639)
Managed Care Capitations	7,639,042		7,639,042
Administration	5,520,461		5,520,461
Life Insurance	835,695		835,695
Wellness	555,347		555,347
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	91,053		91,053
Director's Discretionary Fund	347,423		347,423
WV RHBT Pay Go Premiums	2,040,743		2,040,743
<b>Total Expenses</b>	<b>\$ 297,520,256</b>	<b>\$ -</b>	<b>\$ 297,520,256</b>
<b>Fiscal Year Results</b>	<b>\$ (20,265,703)</b>		<b>\$ 3,734,297</b>
Beginning Plan Reserve	43,183,298		43,183,298
Minimum Actuarial Reserve Required	\$ 36,568,899	\$ -	\$ 36,568,899
<u>Ending Premium Stabilization Reserve</u>	<u>(13,651,304)</u>	<u>-</u>	<u>10,348,696</u>
Ending Plan Reserve	\$ 22,917,595		\$ 46,917,595
Reserve as a Percent of Expenses			16%

**KEY ASSUMPTIONS**

Additional Local Agency Revenue	\$ 24,000,000	<b>Claim and Other Expense Trends</b>		
		<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
		Local	10.0%	17.0%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**APPENDIX - BASELINE SCENARIO**  
**PEIA - STATE FUND**

**WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY**  
**FINANCIAL FORECAST**  
**FISCAL YEAR 2029**

**PERIOD 7/1/2028 - 6/30/2029**

State Fund	Baseline Projection	Board Decision	Ending Projection
<u>Revenues</u>			
Employer Premiums - PPB	\$ 810,938,994	\$ 121,516,575	\$ 932,455,569
Employer Premiums - MCO	89,990,903	13,483,425	103,474,328
Employee Premiums - PPB	205,713,560	30,382,588	236,096,148
Employee Premiums - MCO	23,138,517	3,417,412	26,555,929
WV RHBT Pay Go Premiums	7,959,257		7,959,257
Life Insurance	2,615,969		2,615,969
Direct Transfers	-		-
Investment Income	11,413,072		11,413,072
Litigation Settlement	-		-
COBRA Premiums	2,320,288		2,320,288
Administrative Fees	3,963,253		3,963,253
<b>Total Revenue</b>	<b>\$ 1,158,053,813</b>	<b>\$ 168,800,000</b>	<b>\$ 1,326,853,813</b>
<u>Program Expenses</u>			
Medical Claims	\$ 745,195,501	\$ -	\$ 745,195,501
Gross Prescription Drug Claims	582,773,764	-	582,773,764
Prescription Drug Rebates	(132,425,301)		(132,425,301)
Managed Care Capitations	80,700,799		80,700,799
Administration	25,213,185		25,213,185
Life Insurance	3,783,712		3,783,712
Wellness	2,536,393		2,536,393
ACA Reinsurance Contributions	-		-
ACA PCORI Fees	376,252		376,252
Director's Discretionary Fund	1,480,834		1,480,834
WV RHBT Pay Go Premiums	7,959,257		7,959,257
<b>Total Expenses</b>	<b>\$ 1,317,594,395</b>	<b>\$ -</b>	<b>\$ 1,317,594,395</b>
Fiscal Year Results	\$ (159,540,583)		\$ 9,259,417
Beginning Plan Reserve	132,156,537		132,156,537
Minimum Actuarial Reserve Required	\$ 160,889,134	\$ -	\$ 160,889,134
<u>Ending Premium Stabilization Reserve</u>	<u>(188,273,179)</u>	<u>-</u>	<u>(19,473,179)</u>
Ending Plan Reserve	\$ (27,384,045)		\$ 141,415,955
Reserve as a Percent of Expenses			11%

**KEY ASSUMPTIONS**

Additional State Employer Premiums	\$ 135,000,000	<b>Claim and Other Expense Trends</b>		
Additional State Employee Premiums	\$ 33,800,000	<u>Eligibility</u>	<u>Medical</u>	<u>Gross Drugs</u>
Direct Transfers	\$ -	State	10.0%	17.0%
		Prescription Drug Rebates		5.0%
		Capitations		6.0%
		Administrative Expense		3.0%

**Attachment - PEIA  
Historical Monthly Medical and Drug Trends  
FY 2024 to FY 2025**

<b>Fiscal Year 2024</b>												
<b>Exposure</b>	<b><u>Jul-23</u></b>	<b><u>Aug-23</u></b>	<b><u>Sep-23</u></b>	<b><u>Oct-23</u></b>	<b><u>Nov-23</u></b>	<b><u>Dec-23</u></b>	<b><u>Jan-24</u></b>	<b><u>Feb-24</u></b>	<b><u>Mar-24</u></b>	<b><u>Apr-24</u></b>	<b><u>May-24</u></b>	<b><u>Jun-24</u></b>
<b>Local Medical</b>	28,408	28,455	28,485	28,555	28,542	28,666	28,686	28,667	28,682	28,686	28,663	28,648
<b>State Medical</b>	110,217	109,819	110,078	110,315	110,325	110,418	110,197	109,974	109,884	109,752	109,719	109,550
<b>Local Drugs</b>	28,408	28,455	28,485	28,555	28,542	28,666	28,686	28,667	28,682	28,686	28,663	28,648
<b>State Drugs</b>	110,217	109,819	110,078	110,315	110,325	110,418	110,197	109,974	109,884	109,752	109,719	109,550
	<b><u>Jul-23</u></b>	<b><u>Aug-23</u></b>	<b><u>Sep-23</u></b>	<b><u>Oct-23</u></b>	<b><u>Nov-23</u></b>	<b><u>Dec-23</u></b>	<b><u>Jan-24</u></b>	<b><u>Feb-24</u></b>	<b><u>Mar-24</u></b>	<b><u>Apr-24</u></b>	<b><u>May-24</u></b>	<b><u>Jun-24</u></b>
<b>Local Medical</b>	\$270.85	\$342.04	\$326.68	\$341.71	\$350.51	\$334.44	\$394.67	\$363.02	\$376.58	\$407.22	\$405.07	\$352.28
<b>State Medical</b>	326.98	374.00	333.88	370.71	356.85	347.63	414.64	367.27	416.34	417.83	421.59	428.57
<b>Local Drugs</b>	156.55	195.86	175.45	195.84	202.38	195.51	204.24	198.50	203.21	227.20	247.68	218.92
<b>State Drugs</b>	<u>186.40</u>	<u>218.38</u>	<u>204.04</u>	<u>217.89</u>	<u>219.84</u>	<u>213.94</u>	<u>220.86</u>	<u>211.19</u>	<u>220.12</u>	<u>248.08</u>	<u>257.41</u>	<u>243.73</u>
<b>Total</b>	\$940.78	\$1,130.28	\$1,040.05	\$1,126.15	\$1,129.58	\$1,091.54	\$1,234.40	\$1,139.99	\$1,216.25	\$1,300.32	\$1,331.75	\$1,243.50
<b>Change From Prior Year - Month to Month Analysis</b>												
<b>Local Medical</b>	15.4%	32.8%	24.6%	22.4%	23.5%	21.3%	30.6%	26.3%	11.8%	43.1%	27.1%	13.0%
<b>State Medical</b>	37.7%	26.3%	15.4%	25.2%	15.6%	20.5%	30.7%	24.1%	19.9%	34.5%	21.7%	19.3%
<b>Local Drugs</b>	18.9%	20.6%	12.1%	34.4%	40.7%	24.8%	19.2%	30.2%	10.5%	43.6%	37.4%	13.3%
<b>State Drugs</b>	<u>32.5%</u>	<u>19.0%</u>	<u>11.0%</u>	<u>38.8%</u>	<u>31.4%</u>	<u>21.0%</u>	<u>20.4%</u>	<u>21.9%</u>	<u>10.7%</u>	<u>37.3%</u>	<u>24.0%</u>	<u>13.6%</u>
<b>Total</b>	26.4%	25.6%	16.6%	28.3%	25.0%	21.6%	26.7%	25.4%	14.0%	39.2%	26.5%	15.3%
<b>Change From Prior Year - Quarter to Quarter Analysis</b>												
<b>Local Medical</b>			24.5%			22.4%			22.4%			27.3%
<b>State Medical</b>			25.7%			20.4%			24.7%			24.8%
<b>Local Drugs</b>			17.1%			33.0%			19.4%			30.5%
<b>State Drugs</b>			<u>19.8%</u>			<u>30.1%</u>			<u>17.4%</u>			<u>24.3%</u>
<b>Total</b>			22.7%			24.9%			21.7%			26.4%
<b>Change From Prior Year - Year to Year Analysis</b>												
<b>Local Medical</b>			8.4%			13.6%			18.7%			24.2%
<b>State Medical</b>			11.9%			16.6%			20.8%			23.9%
<b>Local Drugs</b>			-2.0%			8.1%			14.1%			25.1%
<b>State Drugs</b>			<u>3.2%</u>			<u>11.6%</u>			<u>16.5%</u>			<u>22.8%</u>
<b>Total</b>			6.6%			13.2%			18.1%			24.0%

**Attachment - PEIA  
Historical Monthly Medical and Drug Trends  
FY 2024 to FY 2025**

Fiscal Year 2025					
Exposure	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>
Local Medical	29,016	29,069	29,014	29,049	29,000
State Medical	109,011	108,582	108,493	108,605	108,597
Local Drugs	29,016	29,069	29,014	29,049	29,000
State Drugs	109,011	108,582	108,493	108,605	108,597
	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>
Local Medical	\$328.84	\$341.55	\$347.50	\$414.50	\$401.71
State Medical	352.19	359.84	366.78	438.02	425.78
Local Drugs	221.59	207.57	203.22	225.30	215.19
State Drugs	<u>243.66</u>	<u>239.46</u>	<u>234.86</u>	<u>261.26</u>	<u>244.97</u>
Total	\$1,146.27	\$1,148.43	\$1,152.36	\$1,339.07	\$1,287.65
<b>Change From Prior Year - Month to Month Analysis</b>					
Local Medical	21.4%	-0.1%	6.4%	21.3%	14.6%
State Medical	7.7%	-3.8%	9.9%	18.2%	19.3%
Local Drugs	41.5%	6.0%	15.8%	15.0%	6.3%
State Drugs	<u>30.7%</u>	<u>9.7%</u>	<u>15.1%</u>	<u>19.9%</u>	<u>11.4%</u>
Total	21.8%	1.6%	10.8%	18.9%	14.0%
<b>Change From Prior Year - Quarter to Quarter Analysis</b>					
Local Medical			8.3%		
State Medical			4.2%		
Local Drugs			19.8%		
State Drugs			<u>17.9%</u>		
Total			10.8%		
<b>Change From Prior Year - Year to Year Analysis</b>					
Local Medical			20.0%		
State Medical			18.3%		
Local Drugs			25.5%		
State Drugs			<u>22.2%</u>		
Total			20.8%		